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PATENT

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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Before the Board of Patent Appeals and Interferences

Applicant: Mark Duchow

Art Unit: 3622

Appl. No.: 09/682,876

Examiner: J. Myhre

Filed: October 26, 2001

For: SYSTEM AND METHOD FOR PROVIDING ELECTRONIC VOUCHERS

APPELLANT'S REPLY BRIEF

Mail Stop Appeals - Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

Appellant, Mark Duchow, hereby files a reply brief in reply to the Examiner's Answer dated September 2, 2005.

I. REPLY CONCERNING THE NON-ART GROUND OF REJECTION

In Appellant's Brief on Appeal, Appellant responded to all possible grounds of rejection in the Final Action. Although a ground of rejection was not stated, based on new matter regarding para. 0045 of specification, there was discussion by the Examiner in the Final Action at para. 7a.

In the Examiner's Answer, the Examiner concedes that this ground of rejection was not in the Grounds of Rejection of the Final Action, but only in an earlier office action. (Examiner's Answer, p. 23, lines 11-12.)

Appellant can only conclude that this ground of rejection has been waived, for not stating it under Grounds of Rejection in the Final Action. In the event it is not deemed waived, then Applicant replies to the argument at page 23 of the Examiner's Answer by reiterating paras. 0006 to 0012 of the specification and what would be apparent to one of ordinary

skill in the art from these paragraphs (See Brief on Appeal, pages 37-44.)

Concerning the sole new matter rejection stated in the Final Action, Appellant reiterates the position that the cited case authority is not applicable to this case. The cited case is not applicable because it involved a broadening amendment that claimed a non-enabled composition-of-matter embodiment.

In the present case, Applicant is limiting the scope of a non-technical term in a commonly known way to limit the scope of the claims and to emphasize the advantages of the invention over the prior art. This has been done in a manner apparent to one of ordinary skill in the art, actually, in a manner apparent to a lay person. It has been done in a manner to provide intrinsic evidence in the record for review by the public. It is extremely rare to see an Examiner contest the limitation of claims against the prior art, where the embodiment is clearly enabled by the specification. Frankly, this ground of rejection is not understood as a matter of law. It seems to be interposed solely as a tactic by the Examiner.

II. REPLY TO EXAMINER'S ARGUMENT ON THE PRIOR ART REJECTION

A. THE CLAIMED SUBJECT MATTER IS NOT OBVIOUS OVER STEWART ET AL., U.S. PAT. NO. 6,259,405 IN VIEW OF SCROGGIE ET AL., U.S. PAT. NO. 6,185,541.

1. CLAIMS 76, 83 AND 84, 85, 92 AND 93 ARE NOT SUGGESTED TO ONE OF ORDINARY SKILL IN THE ART BY STEWART AND SCROGGIE IN COMBINATION.

Beginning on page 13, the Examiner summarizes and restates his reasons for rejecting claims 76 and 85 and replies to Applicant's arguments in support of these claims as follows:

1) On page 13 of the Examiner's Answer, the Examiner discusses the first portion of claim 76, wherein the producer is selected, the product is selected, and then the personal contact information is requested, and states on page 13, last two lines continuing to page 14 that he sees "no patentable distinction" in the order in which this information is received

in the system. (Examiner's Answer, page 13, last two lines to page 14, line 2.)

2) The Examiner next argues that the newly cited online shopping references Hill, Green, Doyle et and Chelliah disclose the entering of shipping and billing information after a product has been selected and, therefore, make such a feature obvious in the context of the present claims (Ex. Answer, Page 13, line 13 to page 14, line 13.)

3) The Examiner cites passages from Stewart describing a part of Fig. 4 of Stewart as a system which is alleged to disclose selection of a product and producer before entry of a user's personal contact information and a user travel destination location. (Examiner's Answer, page 14, line 14 to page 15, line 18).

4) The Examiner says concerning targeted advertising, that Applicant's sequence of obtaining a request from the user for the product which is the subject of the incentive, before offering the incentive, is a difference from the applied references, but is a difference that is obvious to one of ordinary skill in the art. (Examiner's Answer, Page 15, last four lines through page 16, line 15.)

5) The Examiner cites Scroggie as suggesting a system in which the voucher that is transmitted is for a product selected by the user. (Examiner's Answer, page 16, lines 15-16).

6) The Examiner states that Scroggie is only used to show that it would be obvious to include a zip code in place of the address (actually a mobile location) which is transmitted in Stewart (Examiner's Answer, page 17, lines 3-5).

7) The Examiner states the test of obviousness is not as to whether the two reference can be "bodily" inserted into one another, but whether one of ordinary skill would combine one part of one reference (the zip code of Scroggie) with the other reference (Stewart). In this case, the Examiner says that he could have used any reference which disclosed the customer's address included a zip code (Examiner's Answer, page 17, lines 9-15.)

8) The Examiner states that Scroggie discloses that only after the customer has selected the product, does the customer

select the store address of the reseller and that the coupon is limited to one store selected by the user. (Examiner's Answer, page 17, lines 14-21.)

Stewart is primarily a travel reservation service designed for mobile users (Stewart, Figs. 1-11 and accompanying description). The users arrange for air reservations, hotel reservations and rental car reservations, and the service provides either 1) a user-selected choice or 2) a choice based on user preference data in combination with either the user's current mobile location that was received automatically at the beginning of the communication sequence or a travel destination/embarkation point input by the user. In Figs. 12A and 12B, a targeted advertising embodiment is disclosed for making unsolicited offers of discounts on food or jewelry to consumers at shopping malls. Appellant has emphasized that the sequences of operations and results in both types of Stewart embodiments are quite different than the operations and results of the claimed invention. (Brief on Appeal pages 10-20.) In addition, the travel services of Stewart do not offer discounts, and it is unclear how the discounts for food and jewelry would be implemented in the travel service embodiments. It is also unclear how Stewart would manage a plurality of available resellers selling the same product in pre-defined marketing territories, other than by letting the user select the reseller.

Scroggie is a system for offering collections of grocery store coupons. The user, however, selects the local reseller, and Scroggie does not follow the sequence or accomplish the objectives of the present invention. It is also unclear how Scroggie would manage a plurality of available resellers selling the same product in pre-defined marketing territories, other than by letting the user select the reseller. There is no motivation or clear teaching how to combine Scroggie and Stewart.

In contrast to Stewart and Scroggie, the present claimed invention is distinguishable in starting out by shopping for a product, then switching to request contact information and then providing a voucher to the user to visit a reseller location in a pre-defined territory that is determined by the website

transparent to the user, and doing so in a sequence to attract customers to visit the appropriate reseller to redeem the voucher. It is neither a reservation service nor a website for ordering products to be shipped.

The Examiner has constructed the rejections by relying on single isolated sentences found in the very detailed and lengthy disclosures of Stewart and Scroggie. The Briefs herein explain why these single isolated sentences are taken out of context, and do not show a full understanding of the context from which they came, nor do they show a full understanding of the claims in the present application. They do not provide a suggestion to combine the two references or to supply the limitations not found in either reference. This can also be understood by considering the problems and solutions provided by the present invention in comparison to the applied art.

One problem solved by the invention is how to provide incentives to customers without having them take the incentive to an out-of-territory reseller offering a lower price than an in-territory reseller. Duchow, paras. 0006-00012. (Brief on Appeal, page 23, lines 1-4.)

This problem which is solved by claims 76 and 85 of the present invention shall be referred to herein as the "territory management" problem and is stated in the application as follows in paragraph 0006 of the specification as follows:

[0006] A further disadvantage is encountered when the distribution system of the producer assigns geographic areas ("territories") to each reseller. In these types of systems, each reseller is given primary responsibility for the market within their territory and typically spends much time and money advertising, marketing, and promoting the producer's product with their assigned territory. In this type of distribution system, in addition to not being able to promote a selling price over the Internet as stated above, a producer cannot typically provide any type of global discount or incentive voucher to buyers without some type of restriction as to where the buyer can redeem the voucher. If a producers (sic: producer) were to provide global vouchers to buyers, the buyer could take

the voucher and redeem it at a reseller that is in a territory outside of where the buyer is located. If this is done, it is possible that the producer can be seen as providing incentives to buyers that are injuring the reseller that is losing the sales. Doing this would allow resellers to free ride on the time and money expended by other resellers to market, advertise, and promote the products within their own territory, thereby penalizing some resellers by having them expend the money and not make the sale within their territory and may cause problems within the producers distribution system. For example, a producer may provide buyers with vouchers that are redeemable for a cash discount of the sale price of a product without any restriction as to where the voucher can be redeemed. The buyers in Illinois that receive these vouchers decide to go to the reseller in Wisconsin rather than the reseller in Illinois to redeem the vouchers because the reseller in Wisconsin has a lower sale price than the reseller in Illinois. However, since the cost of doing business for the reseller in Illinois is more expensive than that of the reseller in Wisconsin, the reseller in Illinois cannot sell the product for as low a price as the reseller in Wisconsin without losing money on each sale. Therefore, although the reseller in Illinois has spent time and money developing the Illinois market, buyers are going to Wisconsin to redeem the vouchers. In this case, the Illinois reseller may see the producer as undermining its efforts to sell products in Illinois and decide that it no longer wants to sell producers products thereby leaving the producers with no distribution in Illinois.

The invention solves this problem and manages dealer territories as stated in para. 0010 as follows:

[0010] The electronic voucher also directs the buyer to a specific reseller for redemption of the incentive rather than allowing a buyer to go to any reseller for redemption. This permits price competition between resellers since each reseller can still charge whatever

price they wish for the product, eliminates the possibility of resellers attempting to sell the products, using the incentive, to buyers that are located outside of their assigned territories, and allows producers to channel buyers to the location appropriate for the purchase to occur based on their particular distribution structure.

Claims 76 and 85 carry out the "territory management" aspect of the invention in the following recited passage:

"after the website receiving the selection of the only one product and the personal contact information and the postal address code from the prospective customer,

"the website selecting only one reseller from a plurality of available resellers based on the selection of the only one product and based on the postal address code being within, or closest to, a pre-defined marketing territory of the reseller;"
(claim 76, lines 29-36, claim 85, lines 24-31.)

In addition, there is a second problem solved by the present invention in attracting a good number of online users to a reseller physical location. This will be referred to as the "customer attraction" problem and is discussed in paragraph 0012 of the specification as follows:

[0012] Finally, it provides the voucher containing the incentive to the buyer through electronic means, confirming the benefit that will be received if the buyer visits the reseller in the appropriate geographic or product area.

Claims 76 and 85 solve the "customer attraction" problem of the invention in the following recited passage:

"after receiving the selection of only one product from said prospective customer and before displaying any amount of any purchase incentive to the prospective customer, (emphasis supplied)

"providing a screen display to the prospective customer which requests the prospective customer to enter personal

contact information and a postal address code; (emphasis supplied)

. . . .

“the website selecting only one reseller from a plurality of available resellers based on the selection of the only one product and based on the postal address code being within, or closest to, a pre-defined marketing territory of the reseller;

“the website then generating a voucher having a time limit for redemption and having a producer's purchase incentive on the purchase of the only one selected product at the only one selected reseller;”

(claim 76, lines 19-24 and 32-40, claim 85, lines 14-19 and 27-35).

With respect to the “customer attraction” problem, Applicant submitted the following information in a Declaration of the inventor, dated August 11, 2004 (Brief on Appeal App. B-4), which states in part:

7. The invention is successful because there is marketing psychology involved with each step. The state of mind of the user on the site is considered at every phase.

8. The user is shown a listing of products available. A choice of make and model is offered. Having a choice is important to consumers because everyone has individual needs. No one likes to feel they are being “force-fed” a selection. Consumers are allowed to make their own decision on the type of product they desire, but they must choose one, and only one to continue the process.

9. Users are not asked to provide any personal contact information such as a name and mailing address or an e-mail address to access the site or to select a product. Providing personal contact information is a deterrent for many, and the system is designed to encourage use, not cause people to shy away. Personal contact information is obtained later in the process, after the user has become involved with the site.

10. Forcing the selection of make and model involves the user in the process. The user is forced to think, and make decisions about the type of product they wish to purchase. The time a consumer invests becomes equity, and makes it more likely they will complete the next task, which is entering personal contact information, such as name and address or e-mail address, and a zip code.

11. Curiosity also plays an important role. While the consumer has been involved in the site, receiving

product data, making purchase choices, they have not been told the selling price of the product selected, or the amount of the cash discount being offered. These are important facts to know, and to receive the information, personal contact information must be provided. The time invested in making decisions, and curiosity about what waits in the end, compel the consumer to enter the information.

12. Through the invention, the user is informed that he or she can receive an exclusive offer by following the instructions on the page to enter his or her personal contact information. In my experience in marketing products, I have observed that cash discounts have the greatest appeal. Consumers are excited about cash discounts, but this is not the only factor in making a sale. A consumer would not be as excited about entering personal contact information before shopping for a product and being offered a cash discount.

13. All of the information provided by the user: selected make, chosen model, personal contact information and zip code, is stored by the system. The user is unaware of this at the time he provides it, but the data is kept and revealed in summary on the voucher the user is now ready to receive.

14. The voucher is sent via email. Once received, the consumer is finally shown the value of the purchase incentive. This is shown next to the product selections the user made. The purchase incentive has a definite value, but the purchase price of the product the consumer has chosen is still unknown. The product selected has yet to be seen, other than in a photograph. Both the product viewing, and the revelation of the selling price, are available only at the reseller's showroom. The address of the reseller is provided on the voucher, and an expiration date for redeeming the voucher is shown. The consumer has all the information necessary to take the last step, and because of the time invested (the equity) and the important unknowns, a percentage of the consumers will take their vouchers to the showroom.

15. When the consumer visits the reseller, the consumer has already selected the product the consumer wishes to purchase, and has an incentive in hand which serves as a reason to buy now, rather than at a later time.

16. I have reviewed many of the prior art references cited by the Examiner in this application and as far as I can see, none of the prior art, to my knowledge, discloses or suggests taking these steps for the reasons I have stated above.

Appellant has reviewed the Examiner's Final Action and Answer to Appellant's Brief on Appeal to see what problems in

the art are said by the Examiner to be solved by Stewart and Scroggie.

Stewart is said to solve the problem of the user selecting one hotel in a chain of hotels that is closest to the user's current mobile location or future travel destination. (Examiner's Answer, page 4, lines 11-13 and page 15, lines 11-18.) The Examiner says that Scroggie was only used to show that it would have been obvious to include a postal address code in place of Stewart's mobile user location. (Examiner's Answer page 4, lines 13-21.) The Examiner says that he could have used any reference which disclosed the customer's address included a zip code (Examiner's Answer, page 17, lines 9-15.)

Appellant has previously stated that the zip code of Scroggie cannot be substituted for the user location of Stewart, due to differences in mobile locations vs. home addresses, and that there is not a motivation to do what the Examiner has suggested. Neither the Stewart travel service embodiments nor the Scroggie coupon embodiments discuss either the "territory management" problem or the "customer attraction" problem. (Brief on Appeal, page 24, lines 11-16: the substitution suggested by the Office action would not be made because the 1) the functions of the location information in Stewart and Scroggie are different, 2) their sequences are different from each other and from claims 76 and 85 and 3) there is no motivation to solve the problem that is solved by the present invention.)

Furthermore, a zip code was inherently present in Stewart in the user's (mailing) address referred to in Stewart (col. 10, line 14), even though the words "zip code" or "postal address code" do not appear in the Stewart reference. This rebuts the Examiner's argument as to why he applied Scroggie, because the Examiner would not need Scroggie to show a zip code. A zip code is present in Stewart per the skill in the art, since a mailing address was mentioned. However, Stewart did not use the user's mailing address to select goods, producers, products or resellers. This rebuts the Examiner's statements concerning the relevance of Scroggie and the motivation to combine Scroggie with Stewart.

Stewart doesn't solve or suggest the problem in Applicant's invention, because, for example, if a set of users resided in Chicago, but were mobile and present in Milwaukee, the Stewart system would select resellers in Milwaukee based on proximity to the mobile user's location, and it would defeat the "territory management" function of the invention.

Scroggie also doesn't solve or suggest the problem of the present invention because Scroggie lets the user select the reseller and finally the reseller's store location.

In this regard, the Examiner has confused the terms, "producer," "reseller" and "reseller store location" in relation to Scroggie.

The operation of the Scroggie reference is best illustrated by screen displays from www.supermarkets.com submitted with the Information Disclosure Statement of August 4, 2004. These figures further illustrate the method of Figs. 2, 3, 4 and 5 and corresponding description in Scroggie, U.S. Pat. No. 6,185,541.

The screenshot shows the Valupage website with the tagline "The Smart Way to Shop!". It includes a navigation bar with links like "HOW DOES VALUPAGE WORK?", "TELL A FRIEND", and "HELP". The main content area features a "SAVE UP TO \$20.75" promotion, a "FAST TRACK TO SAVINGS" section, and a "FEATURED SAVINGS" table. The table lists savings on various products: Windex (\$1.00), Cottonelle (\$1.00), and Tostitos (\$0.75). Below the table, there is a "FAST TRACK TO SAVINGS" section with a "Last supermarket selected" dropdown menu showing "OscoDrug" and an "Other supermarkets" dropdown menu showing "None".

FEATURED SAVINGS	
Windex	SAVE \$1.00
Cottonelle	SAVE \$1.00
Tostitos	SAVE 75¢

FAST TRACK TO SAVINGS

Last supermarket selected: **OscoDrug**

Other supermarkets: **None**

Information Disclosure Statement
Appl. No. 09/682,876

Screen 1

After logging on in Step 1 by providing a user ID and password (not shown), in Step 2 in Scroggie, the user enters a zip code in the box pointed to by the arrow above. The website receives the zip code in Step 3 and returns the screen below.

Select the supermarket where you want to save

~~Jewel-Osco~~ **Osco Drug** **piggly wiggly**

Don't see the supermarket of your choice?
Enter a different zip code below:

53211 ENTER

click "Store Locations" to find participating stores

FEATURED SAVINGS



FAST TRACK TO SAVINGS

Last supermarket selected:

Jewel-Osco

Other supermarkets:

Osco Drugs

Information Disclosure Statement
Appl. No. 09/682,876

Screen 2

In Step 5, a reseller, such as Osco Drug is selected, and when received by the website it returns the next screen in Step 6.

QUICK AND EASY DIRECTIONS

To Get All Offers click

GET SHOPPING LIST

OR

CUSTOMIZE shopping list by placing a check next to ADD TO LIST, then click on Get Customized Shopping List at the bottom of this page.

STAY CLOSE TO THE SAVINGS!

Enter your e-mail address to start receiving Valupage E-mail:

ENTER

@ HTML Text

TELL YOUR FRIENDS ABOUT VALUPAGE!

SAVE UP TO \$20.75

Information Disclosure Statement
Appl. No. 09/682,876

Screen 3

SELECTED SUPERMARKET:
Osco Drug

Zip Code: 53211

It's as Easy as 1-2-3!
IN THE STORE:

- Buy one or more of the products listed on your Valupage Shopping List.
- Give your Valupage Shopping List to the cashier to scan.
- Get Valupage Savings to purchase anything on your next visit to the

FEATURED SAVINGS

☐ ADD TO LIST

SAVE 75¢
Buy ONE Nescafe® Taster's Choice® Instant Coffee
4 oz. or larger

☐ ADD TO LIST

SAVE \$1.50
Buy TWO Tyson® Boneless Breaded Chicken Nuggets, Patties, Tenders & Tenderloins
Excluding Skewed & Diced Wings & Stuffed Chicken Drumsticks

☐ ADD TO LIST

SAVE \$1.00
Buy TWO Earth's Best® Organic Teething Biscuits
Made with no genetically modified ingredients

☐ ADD TO LIST

SAVE \$1.00
Buy TWO Earth's Best® Organic Infant Cereals
Made with no genetically modified ingredients

☐ ADD TO LIST

SAVE 75¢
Buy ONE Earth's Best® Organic Whole Grain Bars

☐ ADD TO LIST

SAVE 75¢
Buy ONE Earth's Best® Organic Cereal Bars

☐ ADD TO LIST

Screen 3, Information Disclosure Statement of Aug. 4, 2004

In this step, the user selects multiple coupons and multiple products simultaneously, having effectively selected

the resellers first and the producers last. The fact that a store address may be selected later is immaterial.

Differences from the claimed invention:

1. Scroggie lets the consumer select the resellers first, before selecting products, and lets the consumer select the producers last (The producer would be the manufacturer of the grocery item). Thus, it is not just the first three steps that are reversed in Scroggie, it is the entire sequence.

2. Scroggie lets the consumer select the reseller.

3. Scroggie lets the consumer select a store location of the reseller to redeem the coupon (not illustrated above, but mentioned in the Examiner's answer at page 17, last four lines.)

4. Scroggie is not limited to one product incentive. If this occurs in one instance, it is an option controlled by the user and not by the website.

5. Scroggie uses the zip code to narrow the field of resellers and then allows the user pick the reseller and then the reseller store location (Examiner's answer, page 17, last seven lines).

In view of the above discussion, the Appellant responds to the Examiner's specific arguments nos. 5)-8) above as follows:

5) The Examiner cites Scroggie as suggesting a system in which the voucher that is transmitted is for a product selected by the user. (Examiner's Answer, page 16, lines 15-16).

Reply: The customer in Scroggie selects the products indirectly by selecting the incentives near the end of the sequence. This is the reverse of the claimed sequence in which the product is selected, and then there are intervening steps before constructing an incentive.

6) The Examiner states that Scroggie is only used to show that it would be obvious to include a zip code in place of the address (actually a mobile location) which is transmitted in Stewart (Examiner's Answer, page 17, lines 3-5).

Reply: With due respect, this argument is not believable because Stewart already had zip codes present in its system, it just did not use them to select resellers or products. Also, Stewart used a location that was variable according to the user's mobile location.

7) The Examiner states the test of obviousness is not whether the two references can be "bodily" inserted into one another, but whether one of ordinary skill would combine one part of one reference (the zip code of Scroggie) with the other reference (Stewart). In the case the Examiner could have used any reference which disclosed the customer's address included a zip code (Examiner's Answer, page 17, lines 9-15.)

Reply: The Examiner continues to ignore the effect of sequencing limitations of the method claims both at a detailed level and at a higher level. The substitution suggested by the Office action would not be made because the 1) the functions of the location information in Stewart and Scroggie are different, 2) their sequences are different from each other and from claims 76 and 85 and 3) there is no motivation to solve the problem that is solved by the present invention.

8) The Examiner argues that Scroggie discloses that only after the customer has selected the product, does the customer select the store address of the reseller and that the coupon is limited to one store selected by the user. (Examiner's Answer, page 17, lines 14-21.)

Reply: Here, the Examiner has confused the terms, "producer," "reseller" and "reseller store location" in relation to Scroggie.

The entity making the Nescafe® product is the "producer." (Screen 3 above.) The chain store, Osco Drug, selling the product is the "reseller." (Screen 2 above.) A specific store address is still a part of the selected reseller (Not shown, would occur after Screen 3 above). The order of selection in Scroggie is 1) territory of resellers, 2) specific reseller, 3) plurality of incentives which also defines products and producers and 4) store address of reseller. All selections are user-controlled.

To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art (Ed. Note: Stewart and Scroggie, in this instance.) *In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). All words in a claim must be considered in judging the

patentability of that claim against the prior art. *In re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).

The Examiner has ignored limitations in a wholesale fashion in the claims to take this case out of a *prima facie* obviousness context.

The Examiner's arguments on point 1) that that the Examiner sees "no patentable distinction" in the order of selecting a producer and selecting a product before transmitting personal contact information and a postal address code is received in the system means first, that the following sequence limitations have been ignored:

"after receiving the selection of only one product from said prospective customer and before displaying any amount of any purchase incentive to the prospective customer," (emphasis supplied)

"providing a screen display to the prospective customer which requests the prospective customer to enter personal contact information and a postal address code;"

(claim 76, lines 19-24 and claim 85, line 14-20).

The Examiner has also failed to indicate that he reconsidered his original decision in view of Applicant's declaration evidence, for example, on this point, which is another way in which the examination has not followed proper procedures under 35 U.S.C. 103.

The Examiner's argument on point 2) that this sequence is taught by the level of skill in the art applying the online shopping references is incorrect, as a matter of fact, as to most of those references. In any event, missing limitations cannot be supplied by the level of skill in the art. And, the steps are carried out in websites performing different methods to accomplish different objectives.

The level of skill in the art cannot be relied upon to provide the suggestion to combine references or supply missing limitations (note: in this case limitations and motivations missing from the Stewart and Scroggie references). *Al-Site Corp. v. VSI Int'l Inc.*, 174 F.3d 1308, 50 USPQ2d 1161 (Fed. Cir. 1999).

In *re Rouffet*, 149 F.3d 1350, 1357, 47 USPQ2d 1453, 1457-58 (Fed. Cir. 1998), the combination of the references taught every element of the claimed invention, however, without a motivation to combine the references relied upon in the rejection, a rejection based on a *prima facie* case of obvious was held improper.

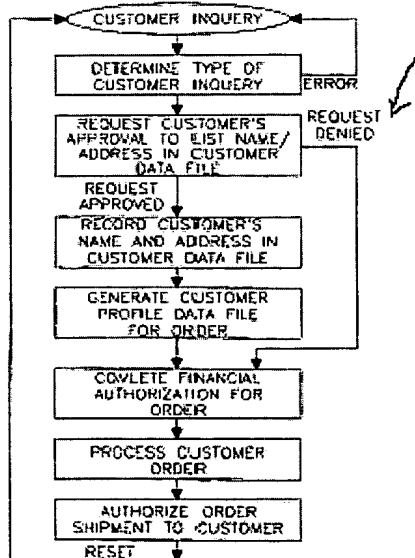
In the present claimed invention, a product is not being shipped to the user and a charge is not being billed to the user's credit card. In that sense, the website is more like an informational website, where it is optional whether the user provides personal contact information.

The systems cited as showing the level in the skill in the art are all related to systems for shopping for goods or services that will be paid for by credit card and then shipped.

This is illustrated in Westrope, U.S. Pat. No. 5,721,832, Fig. 6, cited in the Examiner's Answer:

U.S. Patent Feb. 24, 1998 Sheet 3 of 5 5,721,832

FIG. 6



Westrope, U.S. Pat. No. 5,721,832, Fig. 6

The customer is asked to approve the saving of name and address information first (where the arrow is pointing) before proceeding. Even if the customer refuses, and proceeds without entering the information, the customer's name and address are

taken for shipping and the customer's credit card is taken for payment.

The other new references, Hill, Green and Doyle have been examined and it is unclear that they are relevant to the present claimed system. Hill uses a dial-up network (no websites) and asks the user for registration information in Fig. 3, block 96, before products are ordered. Green describes supermarket shopping for a list of groceries (no incentives). A user ID card is scanned after ordering the products as at a grocery store and cross-references stored user ID information. (Green, Fig. 6). This is the basic sequence of shopping at a retail grocery store, but online. The fact that the user ID is scanned after the products are selected depends on pre-stored information as has been discussed before (See Green, Fig. 13, block 250). Doyle is a vendor-supplier system where there is a continuing commercial relationship and no Internet involved. The customer ID information is pre-existing in a database (Doyle, Fig. 3 and the description in col. 3).

Chelliah is an electronic mall system in which the user selects the reseller first, similar to Scroggie. Chelliah, in fact, offers discounts, but they are rung up with the purchase price when the goods are ordered online. If the Examiner thought this was relevant to the incentive distribution claims herein, it should have been brought into the prosecution earlier, but it is clearly distinguishable.

Most importantly, all these systems are selling a product and it is necessary that the user provide address information to permit shipping of the product and billing of the price to a credit card.

In the present invention, a product is not being shipped to the user and a charge is not being billed to the user's credit card. In that sense, the website of the present invention is more like an informational website, where there is ordinarily less motivation for the user to provide personal contact information than a goods website, where the information must be provided to carry out the shipment.

In the online shopping systems, there is no problem of drawing a good number of online customers to a reseller location. They are actually placing the order for goods online

and the goods will be shipped and not picked up at any location.

3) The Examiner cites passages from Stewart describing a part of Fig. 4 of Stewart as a system in which demographic information and personal contact information and user location is not necessary before selecting a service. (Examiner's Answer, page 14, line 14 to page 15, line 18).

Stewart Fig. 4 is reproduced below.

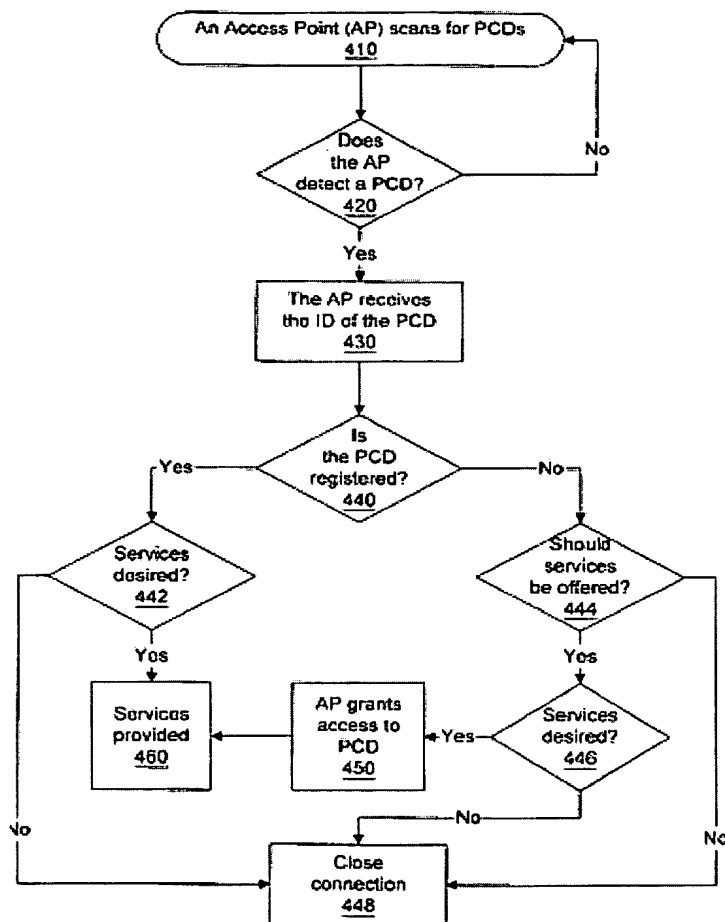


FIG. 4

The embodiment is described at col. 11, line 33 to col. 13, line 63.

The Examiner finds in the last line on page 14 and the first line on page 15 of the Answer that:

Examiner's Finding 1. The MU (customer) may register without providing demographic information citing col. 13, lines 34-36;

Reply: A fuller passage at col. 13, lines 32-36 is as follows:

Step 450 may alternatively include a method to allow a non-registered MU to register. This registration process may be automatic in some embodiments. For example, the AP may allow any MU to be registered without receiving demographic information from the MU. (Our emphasis.)

This is a typical example of the Examiner's misreading of the references. Although this registration is without "full" demographic information, it is nevertheless a registration which would require some data such as a personal ID and contact information (typical log-on information) before any service has been ordered. Even if full demographic data is not required, this passage says that the user must still register. This does not meet the recitations of claims 76 and 85.

In addition before Step 450 in Fig. 4 was reached, blocks 410, 420 and 430, 442 and 444 were executed. These are described at col. 13 (abridged) as follows:

Step 420 represents that the method continues scanning for PCDs 110 until one is detected. In step 430 the AP 120 may receive ID information from the detected PCD 110. In step 440 the AP determines if the PCD 110 is registered with the system (App. Note: similar to Westrope), (e.g., whether the ID code supplied by the PCD 110 is on a list of authorized IDs for the system). If the MU or PCD is not registered as determined in step 440, then in step 444 the method determines whether it should offer services to the non-registered MU. If the MU or PCD is registered as determined in step 440, then in step 442 the system may offer service to the registered MU. If services are desired by the MU, processing continues with step 460.

If the MU is not registered (e.g., the ID code is not found in the database of user information 325B) the system may still offer services to the MU. In another embodiment, in step 444 the method may be configured to dynamically determine whether non-registered MUs should be

offered services. The determination may be based on factors such as current time, current communication traffic, number of active APs, credit history of the MU, or other demographic information of the MU, etc. The decision in step 444 may be made by the MIB or by each respective service provider. If access is denied (e.g., it is determined that services should not be offered to the non-registered MU), the method continues to step 448 where the connection to the AP is closed.

If the method determines that service is to be offered to non-registered MUs, the method continues to step 446 where the MU's PCD is queried as to whether the MU desires services from the AP.

In any event, Stewart will receive the user ID at the start of the sequence and try to match it with a user registration (Steps 430, 440). It also goes through quite a few decisions, before a user could request a service without registering, and this is the exceptional case. Stewart does not provide any motivation to omit the steps of trying to register the user before allowing the purchasing of services. It is not advantageous to omit some input of personal information in the service ordering scenario, due to the possibility of fraud if unregistered and not fully identified users are allowed to order travel services.

Examiner's Finding 2. The MU may enter requested data in order to gain access to the service provider citing col. 14, lines 63-65;

Reply: This finding jumps to Fig. 5. But in any event, this is a second misreading of the reference. Even if the "requested data" is not "demographic data" (See col. 14, lines 60-63) it would include personal ID and contact data that would be entered before selecting a product or service. This supports Appellant's view and does not meet the "after" limitations of claim 76, lines 19-21 and claim 85, lines 14-16.

Examiner's Finding 3. The MU manually selects whether they desire a service and transmit an appropriate response to the AP, citing col. 13, lines 22-25.

Reply: A fuller passage is found at col. 13, lines 18-36 as follows:

In this embodiment, a response to the query from the AP is instantly transmitted from the PCD 110, and the method continues to step 450. Alternatively, when a MU receives (on their PCD) an offer of services from an AP, the MU manually selects whether they desire a service and transmit an appropriate response to the AP.

In step 450 the MU that is not registered is authorized to access service providers 140. The MU may be given a temporary access ID that allows him/her to access only certain service providers 140. In addition, MUs with temporary access IDs may not receive broadcast transmissions (e.g., transmissions that are sent to every PCD) from service providers 140. Step 450 may alternatively include a method to allow a non-registered MU to register. This registration process may be automatic in some embodiments. For example, the AP may allow any MU to be registered without receiving demographic information from the MU.

As mentioned above, Stewart will receive the user ID at the start of the sequence and try to match it with a user registration (Steps 430, 440). It also goes through quite a few decisions, before a user could request a service without registering. Stewart does not provide any motivation to omit the steps of trying to register the user before allowing the purchasing of services.

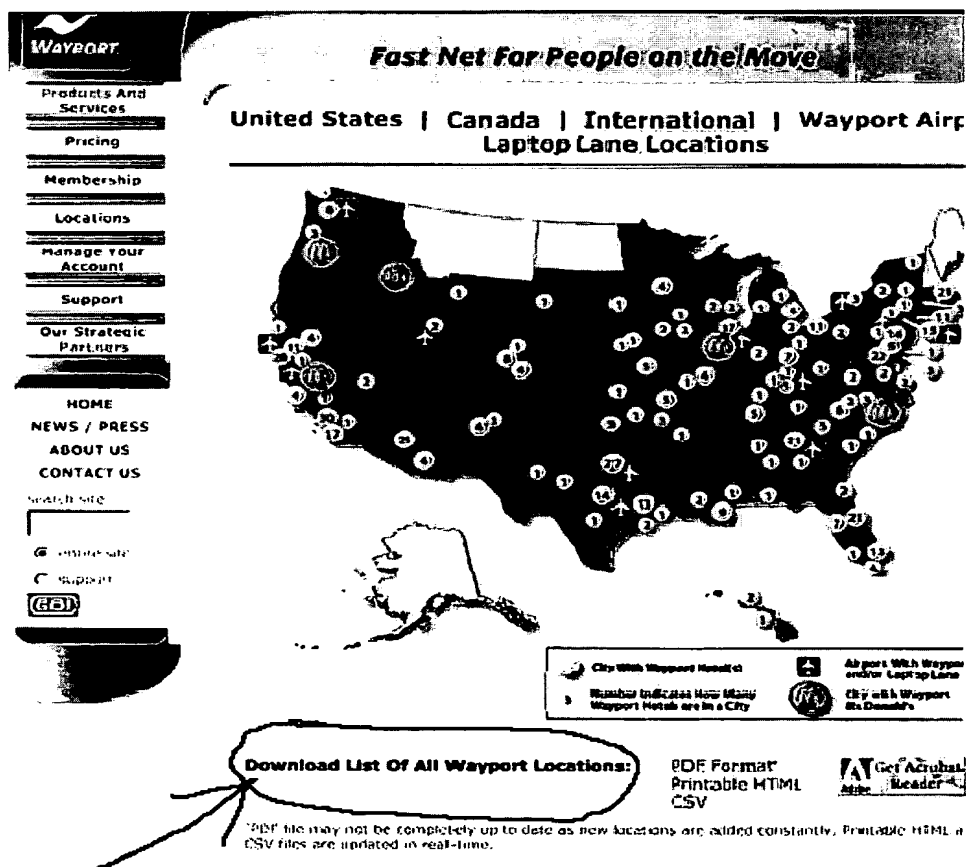
The first steps of the present claimed invention are not only important for what they include, but what they exclude in view of the remaining sequence of the claim. What is excluded is the selection of the reseller or the user being requested for a user ID or personal contact information or the automatic input of user location information. Scroggie, the only applied reference actually showing online distribution of vouchers or coupons on a product selected by the user, uses a zip code at the beginning of the sequence and allows the user to select the reseller immediately upon commencing the online process and before shopping for coupons.

Because the Examiner has not considered the steps in the references in a sequence comparable to that in the claimed invention, he has not made out the first element of the *prima facie* case.

Because the invention selects the reseller near the end of the entire sequence instead of in the first three steps of the sequence, the reseller can be selected in a manner transparent to the user. This is not present in Scroggie.

In Stewart, the user also has greater control of selecting the reseller and the transparency is limited to finding the nearest outlet for a user-selected chain of rental cars or hotels.

Stewart is better understood with reference to the evidence of www.wayport.com submitted as Screen 3 of Applicant's Information Disclosure Statement of August 4, 2005 and included in App. B-2 of the Brief on Appeal.



It should be noticed that the Wayport system allows disclosing all of the service provider locations in one screen. It allows the users to print out all of its service providers nationwide. This message is circled in the screen display above. It also allows a search of Wayport locations by region as shown in Appendix B-2. This is in the nature of a "dealer locator" system.

When a user is roaming using a PCD, the service providers are again located by proximity to the user's mobile location.

When the Examiner states at page 14, line 8, that "Only then (after selection of the producer and the product) does the website request the customer to complete the shipping and billing address," the "Only" is in error. Often, this information is already loaded in or able to be cross-referenced within the website. And if the user is a first time shopper, he or she is asked to register before shopping, whether or not they, in fact, register at that point in the sequence (See Figs. 4 and 5 of Stewart). The "only" is an error in the Examiner's findings.

When the Examiner states on page 14, lines 14-18, that Stewart . . . "explicitly discloses the customer selecting a producer (manufacturer) and a product and submitting this information along with the customer's personal contact information and location (mobile location) prior to selection of a reseller or provision of a coupon (no cites), this is an error in representing the sequence of Stewart.

The selection of the producer, product, entry of the personal contact information and zip code, is never entered in that sequence in Stewart during an online session. Stewart allows user entry of a destination/embarkation location which is totally discretionary with the user and would not accomplish the objectives of the present invention because it is a user-controlled variable location.

The Summary of the Invention, col. 2, lines 50-56, fairly summarizes Stewart's embodiments as follows:

A mobile user (MU) may use a portable computing device (PCD) to connect to the network and access

information or services from the network. The PCD of the mobile user may connect to an access point in a wired or wireless fashion. The PCD may be configured to transmit a signal indicating a presence of the PCD as well as identification information indicating the mobile user. Each of the plurality of access points may be configured to independently detect the signal and may also be configured to receive the identification information indicating the user of the PCD. (Emphasis added.)

This Summary as well as the Abstract in Stewart state the sequence is sending in the mobile location of the user and the identification of the user before any product or producer is selected.

Next, as covered in the Summary of the Invention, col. 3, lines 29-45, the car rental and hotel examples work as follows:

For example, the service provider may use the known geographic information to notify a rental car agency of the mobile user's presence and location as well as existing or desired rental car reservation information. The rental car agency may use this information, as well as the known geographic information of the mobile user, to make a reservation for the user, or begin processing the reservation so that the rental car is ready when the user arrives at the rental car counter.

In a similar manner, a hotel provider may receive the known geographic information of the mobile user as well as existing or desired hotel reservation information. The hotel may use this information, as well as the known geographic information of the mobile user, to make a reservation for the user, or begin processing the reservation so that the hotel is ready when the user arrives at the hotel.

Thus, the car rental or hotel may not need any order for services due to the pre-stored demographic information. Or, if a service is entered by the user, it is done after the user has transmitted a signal indicating a presence of the PCD as well as identification information indicating the mobile user. How else can the hotel or car rental agency know who to make the reservation for? The reverse sequence of selecting the service before entering the ID of the user would never be used, because Stewart would always want to use the pre-stored demographic information if it was available.

The logic of the Examiner's final action is that all that has to be done to provide a *prima facie* case is to substitute

the zip code of Scroggie into the sequence of Stewart for the so-called "user's location." The Examiner in his final action said "Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made that if only a general location of the user was desired (sic:,) information such as the postal code, telephone area code or Internet connection point could be used. (Final action, page 5, lines 17-20.)

The Examiner assumes a fact in claim 76 and 85 that "only a general location of the user was desired." (Examiner's Answer, page 5, line 13.) This intentionally blurs the distinction between the user-controlled, variable, mobile locations in Stewart and the zip code of the non-mobile, fixed, and non-variable user's home address which is used in the present invention.

The Examiner's reference to the "user's general location" is ambiguous and somewhat misleading to the issues in the case. "User's location" is not a term in claim 76. The term in claim 76 is "postal address code," which is a non-mobile, non-variable, precise area. When Stewart refers to a user location for selecting a service provider, it means the user's mobile location, not the user's home address. It is this second mobile location (GPS or AP point) which Stewart uses to determine the nearest service outlet, essentially a locator service. Alternatively, Stewart uses a user destination/embarkation point, such as an airport.

Stewart does not compare a region defined by the user's home address to a territory of a reseller to select a single service provider as suggested at page 4, lines 11-13. Stewart uses a mobile point location to find a nearest service outlet in the manner of a common dealer locator system. This does not accomplish the objective of the invention or solve the problems of the invention.

With respect to targeted advertising in Stewart, the Examiner has not understood the difference between the nature of 1) an unsolicited offer vs. 2) drawing the customer to the reseller through interactive marketing in response to a customer indication of interest in the product.

The Examiner's acknowledgement in point 4) above that obtaining a request from the user for the product which is the subject of the incentive is not a part of the targeted advertising disclosure in Stewart, tends to confirm that there are differences in claims 76 and 85 from the prior art applied in the rejection and that a *prima facie* case of obviousness has not been made out by finding all limitations in the collective prior art.

The sequence limitations being ignored are the following:

“after the website receiving the selection of the only one product and the personal contact information and the postal address code from the prospective customer,

“the website selecting only one reseller from a plurality of available resellers based on the selection of the only one product and based on the postal address code being within, or closest to, a pre-defined marketing territory of the reseller” (Claim 76, lines 29-36 and claim 85, lines 24-31.)

“the website then generating a voucher having a time limit for redemption and having a producer's purchase incentive on the purchase of the only one selected product at the only one selected reseller; ” (Claim 76, lines 37-40 and claim 85, lines 32-35.)

In addition, in the targeted advertising examples in Stewart, the offer/voucher is, in most cases, the only step in the sequence besides logging on. (See Brief on Appeal, p. 19, first paragraph, for the sequence in targeted advertising in Stewart.) There is no selection of a product or producer or reseller before the customer receives the voucher. The voucher cannot be printed out on a handheld unit, so the user is faced with sending back a signal to claim the offer or buying the product immediately by transmitting credit card information. (See Stewart, col. 26, line 58 - col. 27, lines 1-4.)

Even if the Examiner's representation of the references were correct, which it is not, and even if a *prima facie* case had made out on claims 76 and 85 had been made out, which it has not, the Examiner has not properly reconsidered the rejection in view of this objective evidence of the

nonobviousness submitted under 35 U.S.C. 103, including the declaration of the inventor, and the operation of Scroggie, Stewart and the present invention evidenced by the screen displays.

Claims 76 and 85 are allowable because the Examiner has made a number of errors in his final rejection and has not set forth any legal reason to reject these claims under 35 U.S.C. 103(a).

2. CLAIMS 77 AND 86 ARE NOT OBVIOUS IN VIEW OF STEWART AND SCROGGIE.

The invention is further distinguished from the prior art in claims 77 and 86 by reciting that "the prospective customer's control over selection of the reseller is limited to the customer entering the selection of the only one product and entering the postal address code."

In his Answer, the Examiner misunderstands the gist of Appellant's comments in the Brief on Appeal, page 29, lines 1-4, where Appellant commented on Stewart as follows:

The fact that the user has the first option of directly selecting the hotel takes the example outside the language of the claim 77 and claim 86 as well as outside the language of claims 76 and 85, and outside the objects of the present invention.

The Examiner says that the fact that the user has a second option of having the system select the hotel, if the user doesn't know of one, places the Stewart system within the claims.

In the claims 77 and 86, the user has no option to select the reseller.

The following "hypothetical" claim language expresses the example from Stewart cited by the Examiner:

"the prospective customer's control over selection of the reseller's and its store location is limited to the customer selecting the reseller and its store location directly, and if the customer does not know of a reseller, then the customer entering the selection of a desired service, and requesting the

computer to suggest a reseller location closest to the user's mobile location received at the beginning of the sequence."

Claims 77 and 86 recite that "the prospective customer's control over selection of the reseller is limited to the customer entering the selection of the only one product and entering the postal address code." Therefore, the user has no option to select the reseller as in Stewart.

A comparison of these two claim passages contrasts Appellant's apples to Stewart's oranges. This subject matter in Stewart does not make obvious Applicant's limitation of control to the customer entering the selection of the only one product and entering the postal address code.

3. CLAIMS 78 AND 87 ARE NOT OBVIOUS IN VIEW OF STEWART AND SCROGGIE.

The Examiner's Answer continues to contest the issue of the nonobviousness of not disclosing prices to the customer in claims 78 and 87 vs. the prior art disclosing prices to the customer.

During the Interview of August 4, 2004, the Examiner spent quite a bit of time trying to find a website for used autos on that did not show product prices. He could not find one.

Appellant's position is that rates for hotel rooms and car rentals are always disclosed in the art, and there is no positive statement in the references of record not to show prices, prior to Appellant's invention. If a reseller in the travel business did not disclose prices, it might be in violation of law or policy or seen as an attempt to treat the customer unfairly.

One of the exceptions to disclosure of prices, has been new, big ticket items, such as cars and boats, where it has not been traditional among U.S. producers to advertise final prices and there are many options to be considered.

The Inventor explains in his declaration why prices are not disclosed as part of the "customer attraction" object of the invention to get people in the door as follows:

14. The voucher is sent via email. Once received, the consumer is finally shown the value of the purchase inventive. This is shown next to the product selections

the user made. The purchase incentive has a definite value, but the purchase price of the product the consumer has chosen is still unknown. The product selected has yet to be seen, other than in a photograph. Both the product viewing, and the revelation of the selling price, are available only at the reseller's showroom. The address of the reseller is provided on the voucher, and an expiration date for redeeming the voucher is shown. The consumer has all the information necessary to take the last step, and because of the time invested (the equity) and the important unknowns, a percentage of the consumers will take their vouchers to the showroom.

The motivation is the opposite in travel reservations where people want to compare prices before making a reservation and may not have to visit a reseller location until the travel is performed. The Board is requested to give weight to credible evidence submitted in the Inventor's Declaration on this issue as required under 35 U.S.C. 103(a).

The Board is also respectfully requested to consider this additional limitation within the sequence provided by claims 76 and 85 and to find that the claimed combination is nonobvious when the subject matter is considered as a whole.

4. CLAIMS 79 AND 88 ARE NOT OBVIOUS IN VIEW OF STEWART AND SCROGGIE.

The invention is further distinguished from the prior art in claims 79 and 88 by reciting "the selection of the one product, the entry of personal contact information and communication of the voucher occurs in only one access to the website."

This is meant to distinguish from systems utilizing pre-registration (Stewart and Scroggie) and pre-stored demographic and preference data (Stewart and Scroggie).

The Examiner has changed the embodiment in Stewart that he relies on between the Final Action and the Examiner's Answer.

In the final action it was said that Stewart also discloses the customer entering the data and receiving the information during a single online session (citing col. 22, lines 49-50).

Appellant traversed this in Appellant's Brief at page 31.

Now, the Examiner says that the embodiment is at col. 11, lines 4-7, which discloses that the demographic information can be stored in a handheld unit and input during an online session.

This, however, does not explain, where and when in the sequence the demographic information is entered. In such a hypothetical embodiment, it would probably be entered as a first step, taking the embodiment outside the claimed sequence, when the steps of claim 76, lines 19-24 are considered:

“after receiving the selection of only one product from said prospective customer and before displaying any amount of any purchase incentive to the prospective customer,

“providing a screen display to the prospective customer which requests the prospective customer to enter personal contact information and a postal address code;”

It is clear that the Examiner is not considering the subject matter of the dependent claims as a whole with the subject matter of the independent claims under 35 U.S.C. 103.

There is no detailed embodiment which illustrates the user entering the information in the sequence of claim 76 in one online session. And, no discount is being offered in most of the Stewart embodiments. The two lines cited by the Examiner are again out of context, and there is no motivation to combine them with any other embodiment under discussion including one that offers incentive vouchers.

Because the example cited in the Office action does not stand for the proposition cited, and because the claimed subject matter in claims 79 and 88 and the references are not being considered “as a whole” in this rejection, it respectfully requested that claims 79 and 88 be allowed, and the Examiner's action be overruled or withdrawn.

5. CLAIMS 80 AND 89 ARE NOT OBVIOUS IN VIEW OF STEWART AND SCROGGIE.

The invention is further distinguished from the prior art in claims 80 and 89 by reciting that “the voucher is

communicated for only one product for each access of the website."

The Examiner supports this rejection by saying that normally only one voucher is given for each product. But the claim says that the system limits the vouchers to one per online session. This is not addressed in the Examiner's discussion of why multiple vouchers would not be offered for the same product.

Appellant agrees with the Examiner's statement in this section of the Examiner's Answer on page 21, lines 5-7, there is no positive statement in Stewart to limit incentives to one per online session. That would be called motivation or suggestion. The Examiner believes that he can combine references without motivation or suggestion. Appellant believes the Examiner is not following the law under 35 U.S.C. 103 (a) as developed in the cases cited in the Brief on Appeal.

For these reasons, it respectfully requested that claims 80 and 89 be allowed, and the Examiner's action be overruled or withdrawn.

6. CLAIMS 81 AND 90 ARE NOT OBVIOUS IN VIEW OF STEWART AND SCROGGIE.

In claims 81 and 90, it is further recited that the "pre-defined marketing territory" is "an exclusive marketing territory assigned to the reseller by the producer of the selected product."

The Examiner states that Kentucky Fried Chicken restaurants have pre-assigned exclusive marketing areas.

Appellant responds that there is no evidence of record on this point, and it would require an article on the policies of the distributorship agreements of Kentucky Fried Chicken restaurants to make this finding.

Appellant believes that if such evidence were available that the Examiner would be incorrect, that Kentucky Fried Chicken restaurants employ group advertising for a plurality of restaurants which have *de facto* overlapping market areas in metro areas.

In rural areas where the outlets are far apart, and at the price of gas even before the recent increases, one cannot economically drive to a distant Kentucky Fried Chicken restaurant to get a lower price to apply a coupon. There is no credible evidence of record that the problems solved by the invention or their solution existed, or do exist, at Kentucky Fried Chicken restaurants.

For these reasons, it respectfully requested that claims 81 and 90 be allowed, and the Examiner's action be overruled or withdrawn.

7. CLAIMS 82 AND 91 ARE NOT OBVIOUS IN VIEW OF STEWART AND SCROGGIE.

The invention is further distinguished from the prior art in claims 82 and 91 by reciting that "the selection of the reseller does not utilize pre-stored demographic data or direct customer selection through a screen display."

The Examiner defends the rejection of this claim on the same grounds as the rejection of claims 79 and 88.

Like those claims, the Examiner now changes his basis of rejection from the Final Action.

Now the Examiner says that the embodiment is at col. 11, lines 4-7, which discloses that the demographic information can be stored on a handheld and input during an online session. This, however, is the utilization of pre-stored demographic data. The exclusion of demographic information in claims 82 and 91 is not limited to how the user inputs this information or where the user pre-stores it. The data is pre-stored even if it is in the handheld unit. The "screen display" language relates to the direct selection alternative in claims 82 and 91.

It is clear that the Examiner is not reading either of the claims or the references correctly.


For these reasons and those stated in the Brief on Appeal, it respectfully requested that claims 82 and 91 be allowed, and the Examiner's action be overruled or withdrawn.

CONCLUSION

In view of the foregoing, the Brief on Appeal, the evidence contained therein, and this Reply, Appellant respectfully requests the Board to allow claims 76-93, as there is no valid legal reason to reject them.

Respectfully submitted,

Date: Oct. 31, 2005 By:



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